

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON APPROPRIATIONS**

**Call to Order:** By **CHAIRMAN DAVE LEWIS**, on February 21, 2003 at 2:15 P.M., in Room 102 Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Dave Lewis, Chairman (R)  
Rep. Rosalie (Rosie) Buzzas, Vice Chairman (D)  
Rep. Edith Clark, Vice Chairman (R)  
Rep. John Brueggeman (R)  
Rep. Tim Callahan (D)  
Rep. Stanley (Stan) Fisher (R)  
Rep. Eve Franklin (D)  
Rep. Dick Haines (R)  
Rep. Donald L. Hedges (R)  
Rep. Joey Jayne (D)  
Rep. Carol C. Juneau (D)  
Rep. Dave Kasten (R)  
Rep. Christine Kaufmann (D)  
Rep. Monica Lindeen (D)  
Rep. John Musgrove (D)  
Rep. Jeff Pattison (R)  
Rep. Rick Ripley (R)  
Rep. John Sinrud (R)  
Rep. John Witt (R)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Jon Moe, Legislative Branch  
Mary Lou Schmitz, Committee Secretary

**Please Note.** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: HB 632, HB 650, 2/17/2003

Executive Action: HB 19, HB 624, HB 377, HB 73, HB  
193, HB 459, HB 103, HB 495, HB  
225, HB 263, HB 297

**EXECUTIVE ACTION ON HB 19**

**Motion:** REP. KASTEN moved that HB 19 DO PASS.

**Motion:** REP. KASTEN moved that HB 19 BE AMENDED. HB001901.ate

**Discussion:**

REP. KASTEN said these amendments are just technical and should be more workable for the staff. He and CHAIRMAN LEWIS explained the amendments and bill, saying this bill is just an expenditure limitation bill at this point.

**Vote:** Motion on the amendment carried unanimously 19-0 on a voice vote.

**Motion:** REP. KASTEN moved that HB 19 DO PASS AS AMENDED.

**Discussion:** REPS. FRANKLIN, KAUFMANN, LINDEEN and BUZZAS voiced their comments and concerns. REP. KASTEN referred the committee to page 4, line 21, current law.

**Vote:** Motion carried 14-5 with REPS. CALLAHAN, FRANKLIN, JUNEAU, KAUFMANN and MUSGROVE voting no on a roll call vote.

**HEARING ON HB 650**

**Sponsor:** REP. CHRISTOPHER HARRIS, HD 30, Bozeman

**Opening Statement by Sponsor:**

REP. HARRIS said this bill will enable the legislature to make a difference for education. It creates the job of grant writer within the Office of Public Instruction (OPI) and this person's function is to go to various school districts across the state and find out what kind of programs they would like and then apply for funds. The Department of Education in Washington has a great deal of money available for funding and there are many private sector funds available. Some of them are matching fund grants but many are 100%. The smaller school districts could benefit. The money would come from the Old Fund which has a small bit of reserve left.

**Proponents' Testimony:****Erik Burke, MEA/MFT*****{Tape: 1; Side: A; Approx. Time Counter: 0 - 30.9}***

**Mr. Burke** said they do need resources to comply with a new Federal Act. Schools are going to be looking for help, technical assistance to provide the data systems, and provide the technical expertise for compliance. This bill would give someone at the Office of Public Instruction the ability to go out and try to leverage the funds that are available. There are technical assistance grants available for states and local districts that apply on the data systems capability issue. This bill would speak directly to that need.

**Opponents' Testimony:** None**Informational Testimony:** None**Questions from Committee Members and Responses:**

**REP. HAINES** asked the sponsor if there is a breakdown of the \$90,000 figure; how much is travel and how much is salary. **REP. HARRIS** said he did not have the specific breakdown. The \$90,000 figure was given to him by OPI for one FTE with qualifications to be an expert grant writer, plus all the travel connected with this. **REP. HAINES** asked for a fiscal note before they do executive action on this bill.

**REP. RIPLEY** said most of the larger schools already employ a grant writer. Employing a grant writer for the smaller schools who would compete for a lot of the same grants, would be an unfair advantage for smaller schools. **REP. HARRIS** said he doesn't think larger schools would begrudge the smaller schools putting in for a couple of grants.

In response to questions from **REPS. PATTISON and LINDEEN, Mr. Burke** said there will be enough grant writing to help everyone in the state. The #1 issue they are going to be facing at every district level, large and small, is compliance with the new federal legislation. They will have to leverage as many resources as they can to help districts meet the compliance that is required.

**REP. HEDGES** asked the sponsor if Bozeman has a full-time grant writer. **REP. HARRIS** said he knows that he/she is not a full-time person but may be on staff, has acquired the expertise for grant

writing. One criteria is this grant writer has to know education methods as opposed to economic development grants.

**REP. HAINES** said a grant writer ought to be able to pay their own salary with the money they bring in. He feels there are some other ways to make this position happen. **Mr. Burke** said the next couple of years will be a critical time and they need to leverage every resource they can get to help their schools.

**REP. SINRUD** asked, "How effective would this person be with the number of school districts in meeting their needs and how much time does it take to write one grant?" **REP. HARRIS** said he knows grant writing is complex and it would not be possible for one grant writer to serve all districts equally. It would be more of a first come, first serve, and get it done as quickly as possible.

**Closing by Sponsor:**

**REP. HARRIS** closed the Hearing on HB 650.

**HEARING ON HB 632**

**Sponsor:** **REP. FRANK SMITH, HD 98, Poplar**

**Opening Statement by Sponsor:**

**REP. SMITH** said this bill is to promote ethanol and the operation of an ethanol plant. He offered amendments HB063201.abc.

**EXHIBIT (aph39a01)**

**Proponents' Testimony:**

**Nancy Schlepp, Montana Farm Bureau**, said they support economic development in Montana and see this as another opportunity enhancement. They would like to get a market established for their agriculture producers.

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

**REP. HEDGES** referred a question to the sponsor concerning issuing general obligation bonds in conjunction with those in the

treatment plant issue in HB 367. **REP. SMITH** said technology may not be similar.

**Closing by Sponsor:**

**REP. SMITH** said the fiscal balance is \$95,000 and will come out of the General Fund. The funding is needed when the project starts up.

**EXECUTIVE ACTION ON HB 377**

**Motion:** **REP. FISHER** moved that HB 377 BE TABLED. **REP. FISHER** withdrew his motion.

**Motion:** **REP. SINRUD** moved that HB 377 DO PASS.

**Motion:** **REP. BUZZAS** moved that HB 377 BE AMENDED. HB 037701.ajm  
**EXHIBIT** (aph39a02)

**Discussion:**

**REP. BUZZAS** said the amendment puts the Title 18 provision back in the bill. Title 18 takes some of the risk out of this kind of bonding and protects the taxpayer. The project is a risky concept. If this is such a unique project why isn't it financed by private business or a private corporation. She has also heard a lot of support for the concept and maybe it is worth looking into. In anticipation the bill might pass, she would like to make it better with this amendment.

**REP. HEDGES** said the bonds are going to be used to finance construction at the technology park in Missoula, which is part of the university system. **REP. BUZZAS** said this did not come through the university system.

***{Tape: 1; Side: B; Approx. Time Counter: 0 - 29.4}***

**Vote:** Motion on the amendment carried unanimously 19-0 on a voice vote.

**Motion/Vote:** **REP. FISHER** moved that HB 377 BE TABLED. Motion carried 13-6 with **REPS. CALLAHAN, FRANKLIN, HAINES, KAUFMANN, RIPLEY** and **SINRUD** voting no on a roll call vote.

**Motion:** **REP. WITT** moved that HB 361 be moved off the TABLE.

**Discussion:**

**REP. WITT** said this bill (Treasure State Endowment Regional Water System Fund) had a three-for-one match built into it. Today it is a fifty-fifty match and there is also a hardship clause in the bill. He had worked with the Department of Natural Resources and Director Swysgood and they agreed on an amendment that they felt would be satisfactory. He offered an amount of \$270,000 which would not come from the General Fund.

**REP. RIPLEY** said if a bill is tabled in committee it does not have to meet the transmittal deadline.

**REPS. PATTISON, FISHER, HEDGES, WITT, FRANKLIN, BUZZAS, JUNEAU, HAINES** commented on the bill and the need for more time to study it. After hearing the discussion, **REP. WITT** withdrew his motion.

**EXECUTIVE ACTION ON HB 73**

**Motion:** **REP. HEDGES** moved that HB 73 DO PASS.

**Discussion:**

**REP. BUZZAS** said this bill basically maintains the current level of funding for K-12. It doesn't add new monies at all. It is up from the Governor's budget because that budget basically cut the current level of spending for K-12 distribution by \$21 million. This basically puts us where we were the last fiscal year.

**Motion/Vote:** **REP. FISHER** moved that HB 73 BE TABLED. Motion carried 11-8 with **REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN** and **MUSGROVE** voting no on a roll call vote.

*{Tape: 2; Side: A; Approx. Time Counter: 0 - 29}*

**EXECUTIVE ACTION ON HB 193**

**Motion:** **REP. HEDGES** moved that HB 193 DO PASS.

**Discussion:**

**REPS. BUZZAS** said this bill is not a teacher's stipend. Obviously, it will go for teachers' salaries because most districts' budgets are composed primarily of a service

organization and they provide a service, which are teachers. Most of the money will go for retaining teachers. This is a good, equitable bill and will definitely help the smaller districts.

**REP. FRANKLIN** said a great deal of testimony came from the Montana School Boards' Association because they saw this as a tool to help them at the local level and some of this could be used for teacher retention but, in reality, there are a lot of other needs in schools, such as textbooks.

**REP. KAUFMANN** also stated her concerns.

**Motion/Vote:** **REP. HEDGES** moved that HB 193 BE TABLED. Motion carried 10-9 with **REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN, MUSGROVE** and **RIPLEY** voting no on a roll call vote.

#### **EXECUTIVE ACTION ON HB 459**

**Motion:** **REP. HEDGES** moved that HB 459 DO PASS.

#### **Discussion:**

**REP. FRANKLIN** said the concern the subcommittee heard from testimony was that while the concept of averaging for schools who are losing enrollment is helpful to them, averaging for schools who are increasing enrollment doesn't really work for them.

**Motion/Vote:** **REP. HEDGES** moved that HB 459 BE TABLED. Motion carried unanimously 19-0 on a voice vote.

#### **EXECUTIVE ACTION ON HB 103**

**Motion:** **REP. HEDGES** moved that HB 103 DO PASS.

#### **Discussion:**

**REP. BUZZAS** spoke in favor of the bill as some money is becoming available. The rate the school districts can use for transportation has not been raised for many years.

**REPS. PATTISON, FRANKLIN, HEDGES, WITT, BUZZAS, and SINRUD** asked for clarification from Jim Standaert, Legislative Fiscal Analyst. **Mr. Standaert** said this bill will increase funds for school transportation. The state would increase its share of

transportation funding by \$1.7 million because if it increases its share there is a 50% match by the county. The county would increase its share and get that money from the property taxpayers. Combining those, the state's share of \$1.7 million and the county's share of \$1.7 million means that now the district has \$3.4 million more in state/county money.

**Motion/Vote:** REP. HEDGES moved that HB 103 BE TABLED. Motion carried 12-7 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, and MUSGROVE voting no on a roll call vote.

#### **EXECUTIVE ACTION ON HB 495**

**Motion:** REP. HEDGES moved that HB 495 DO PASS.

*{Tape: 2; Side: B; Approx. Time Counter: 0 - 29}*

#### **Discussion:**

REPS. BUZZAS, JUNEAU, RIPLEY, LEWIS, JAYNE, PATTISON, HEDGES and FRANKLIN stated their concerns, comments and explanations.

**Motion/Vote:** REP. HEDGES moved that HB 495 BE TABLED. Motion carried 10-9 with REPS. BUZZAS, CALLAHAN, FRANKLIN, JAYNE, JUNEAU, KAUFMANN, LINDEEN, MUSGROVE and SINRUD voting no on a roll call vote.

#### **EXECUTIVE ACTION ON HB 624**

**Motion:** REP. BUZZAS moved that HB 624 DO PASS.

#### **Discussion:**

Terry Johnson, Legislative Fiscal Division, explained Exhibits 3 and 4.

**EXHIBIT** (aph39a03)

**EXHIBIT** (aph39a04)

*{Tape: 3; Side: A; Approx. Time Counter: 0 - 29.2}*

**Motion/Vote:** REP. BUZZAS moved that HB 624 BE AMENDED conceptually. Motion carried unanimously 19-0 on a voice vote.

**Motion/Vote:** REP. BUZZAS moved that HB 624 DO PASS AS AMENDED. Motion carried unanimously 19-0 on a voice vote.



EXECUTIVE ACTION ON HB 225, HB 263, HB 297

Motion/Vote: REP. KASTEN moved that HB 225, HB 263, HB 297 BE TABLED. Motion carried unanimously 19-0 on a voice vote.

EXECUTIVE ACTION ON HB 554

Motion: REP. KASTEN moved that HB 554 DO PASS. REP. KASTEN withdrew his motion.

CHAIRMAN LEWIS adjourned the meeting.

**ADJOURNMENT**

Adjournment: 4:55 P.M.

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REP. DAVE LEWIS, Chairman

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MARY LOU SCHMITZ, Secretary

DL/MS

**EXHIBIT** (aph39aad)